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Industrial Development Board

Eleventh session

SUMMARY RECORD OF THE 12th MEETING

Held at the Vienna International Centre, Vienna,
on Monday, 22 November 1993, at 3 p.m.

President: Mrs. MACHADO QUINTELLA (Brazil)

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The meeting was called to order at 3.20 p.m.

OPENING OF THE RESUMED SESSION

1. The PRESIDENT declared the resumed eleventh session of the Industrial Development Board open.

REPORT OF THE PROGRAMME AND BUDGET COMMITTEE (continued)

(c) PROGRAMME AND BUDGETS, 1994-1995 (continued) (IDB.11/32 and Corr.1; PBC/AS.1/3)

2. The PRESIDENT recalled the Board's decision IDB.11/Dec.24, adopted in July 1993, on the programme and budgets for 1994-1995 (see document GC.5/4, annex I) and its decision IDB.11/Dec.40, adopted in October 1993 (see document GC.5/4/Add.1, annex I), in which it had decided, inter alia, to again resume its eleventh session immediately following an additional session of the Programme and Budget Committee (which had taken place earlier that day) in order to consider adjustments to the Director-General's proposals for the programme of work and related estimates for the 1994-1995 biennium. The Board now had before it the adjusted proposals for the 1994-1995 programme and budgets submitted by the Director-General (IDB.11/32 and Corr.1) and the recommendations of the Programme and Budget Committee contained in the conclusion it had just adopted (PBC/AS.1/3).

3. She invited the Director-General to introduce his adjusted proposals.

4. Mr. DE MARIA Y CAMPOS (Director-General) said that the revised budget proposals had been prepared in full accordance with decision IDB.11/Dec.40. Every attempt had been made to reflect the proposals put forward on the future policy and organizational restructuring of UNIDO and full account had been taken of UNIDO's new priorities and programmes and its development objectives. That had been achieved at no extra cost.

5. A major constraint in the preparation of the adjusted proposals had been the lack of time and it might transpire that some fine tuning would still be needed when the budget was put into operation.

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6. As he had mentioned at a briefing held during the previous week and to the Programme and Budget Committee earlier in the day, the Secretariat would not let up in its efforts to reduce costs including official travel and, as requested by one delegate, staff travel on home leave would continue to receive careful consideration.

7. In the light of the morning's discussion and to give a clearer understanding of the changes, the Secretariat would prepare an explanatory note with a summary comparison of the old and new budgets, showing the programmes that had been maintained and those that had been merged.

8. The adjusted proposals reflected a new spirit and a reduction of administrative layers, with a concentration on substance, efficiency and effectiveness. During the next biennium, Member States would see for themselves how successful the endeavours had been. He hoped that the reform process would bear fruit and that, as a result of the establishment of a clear link between UNIDO's comparative strengths and its country clients' needs, the services provided would be of the quality and kind expected of a new and vibrant development organization.

9. Vicomte Georges VILAIN XIIII (Belgium), speaking on behalf of the European Union and its member States, supported the Director-General's proposals for adjustments to the programme and budgets.

10. He drew the Board's attention to the statement made by his delegation, on behalf of the European Union and its member States, to the Programme and Budget Committee earlier in the day and asked that it be regarded as part of the record of the Board's meeting.*

11. Mr. ARIZAGA (Ecuador), speaking on behalf of the Latin American and Caribbean Group, congratulated the Director-General and his team for the timely presentation of their proposals for adjustments to the programme and budgets pursuant to decision IDB.11/Dec.40.

12. The Group was satisfied with the new budget proposals and praised the Director-General's efforts to ensure that savings made were utilized in substantive activities. It supported the proposals for allocation of resources under the regular budget and the estimates for operational budget income. The programme and budget document should be subject to the changes required by the reform of the organizational staff structure, without prejudice to the financial regulations. The Group hoped that the Board would recommend the revised proposals to the General Conference for approval.

13. Ms. OK (Turkey) expressed her delegation's appreciation of the efforts made by the Director-General and his staff in preparing the adjusted programme and budget proposals for 1994-1995, taking account of the agreed reorientation of the functions and priorities of UNIDO. Turkey welcomed the emphasis on cost-effectiveness and maximum savings in administration and travel costs, and looked forward to seeing a further rationalization of expenditures as a result of the work of the task force that had been set up.

14. With regard to the substantive programmes, her delegation welcomed the reorientation of resources to field representation and quality assurance. However, Turkey hoped that projects would be improved in quality overall by the efforts of every staff member thanks to the new dynamic spirit being created by the Director-General, with the Board's full support.

15. Her delegation welcomed the expansion of major programmes 600, 700 and 800 and the inclusion of programme 840 in major programme 800 and of subprogramme 313 in major programme 300.

16. She reiterated her Government's full support for the Director-General and his staff in their efforts to create a dynamic organization responding to the growing and diverse needs of a new international economic environment.

17. Mr. ZAITSEV (Russian Federation) said that the examination of what was in effect a completely new UNIDO budget document had highlighted the dynamism acquired by UNIDO in recent months, owing in large measure to the person now heading the Organization. Important factors were also the radical transformations which had taken place in the world and the desire of nations to base their relations on general human values as they worked to strengthen democracy.

18. The document under consideration was of fundamental significance for the Organization not only because it set the stage for UNIDO's activities during the next two years, but also because it constituted a conceptual model of the revitalized UNIDO which took into account the new elements characterizing the present world situation.

19. With the changes which had recently taken place in the world, the task of organizing international efforts in support of economic cooperation with countries requiring it for the solution of their problems had assumed a new form. The effectiveness of the revitalized UNIDO would, in his delegation's view, depend primarily on success in making the Organization universal and accessible to all its Members. In that context, it was necessary to pursue more actively the objective laid down in the Constitution of promoting industrial development and cooperation on the global, regional and national levels. Only with that approach could one count on effective interaction between industrially developed countries and countries endeavouring to develop industrially, which should complement one another in the industrial development process.

20. The United Nations General Assembly had recognized the need to assist countries with economies in transition and he hoped that that aspect would be appropriately reflected in UNIDO's day-to-day operations and in financial and staffing arrangements.

21. His delegation was ready to work constructively with all other delegations in the new industrial development tasks facing the Organization. To that end, however, additional information would have to be provided by the Secretariat, and his delegation hoped that an explanatory note with comparative data on the financing of individual sections under the present and previous budget proposals could be distributed before the forthcoming General Conference session. Delegations would then be able to see broadly how the Secretariat proposed to redistribute the allocated resources. He realized that that would not be an easy task.

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* See the report of the Programme and Budget Committee on the work of its first additional session (IDB.11/33), annex I.

22. His delegation would not oppose a recommendation to the General Conference that it consider and approve the budget proposals for 1994-1995. However, it reserved the right to revert to the matter if necessary after receipt of the relevant additional explanations from the Secretariat.

23. Mr. HODEL (Switzerland) said that his delegation wished to thank the Director-General for his prompt submission of a new budget document and endorsed the revised programme and budgets, which it saw as a first step in the restructuring process. In the Programme and Budget Committee and the Board, Switzerland would follow the implementation of the proposals closely.

24. Mr. DE MARIA Y CAMPOS (Director-General) thanked members for their support for the proposed programme and adjusted budgets and paid tribute to the Secretariat staff, who had made it possible to advance rapidly in the direction of a restructured UNIDO. There was still a long way to go, but the foundations had been laid for building a stronger Organization, with the help of Member States. The Secretariat would do its best to give delegations all the additional information requested.

25. The PRESIDENT said she wished now to submit to the Board for consideration the draft decision recommended by the Programme and Budget Committee, as set out in paragraph (e) of the conclusion contained in document PBC/AS.1/3.

26. The Secretariat informed her that the report of the additional session of the Programme and Budget Committee, reflecting in an annex the statements by some delegations, would be distributed before the end of the month.

27. If she heard no objection, she would take it that the Board wished to adopt the draft decision.

28. The draft decision recommended by the Programme and Budget Committee was adopted.

ADOPTION OF THE REPORT OF THE ELEVENTH SESSION (continued)

29. The PRESIDENT said that, since for obvious reasons it had been impossible to prepare a draft report on the work of the current resumed session for adoption in the plenary, she wished to propose that the Board should request the Rapporteur, with the assistance of the Friends of the Rapporteur, to prepare and finalize the report, which would be submitted to the Conference as a second addendum to the Board's report on the work of its eleventh session (GC.5/4).

30. It was so decided.

CLOSURE OF THE ELEVENTH SESSION

31. The PRESIDENT, thanking the Board members for their cooperation, said that the consensus decision just reached reflected a new spirit prevailing among Member States. She hoped that, at the forthcoming General Conference session, a Yaoundé Declaration would be adopted in the same spirit.

32. The consensus decision was also due in part to the hard work done in recent months by UNIDO's five Deputy Directors-General, who had helped the Director-General to submit extremely well-prepared documentation. The Deputy Directors-General had displayed the very highest standards of professionalism, and she was sure that the Board would want her, in expressing its thanks, to wish them all happiness and success for the future.

33. Mr. DE MARIA Y CAMPOS (Director-General) thanked the members of the Board for the way in which they had reacted to the proposed programme restructuring; it augured well for the discussions at the forthcoming General Conference session.

34. He also expressed his gratitude to the Deputy Directors-General, who had served UNIDO well, especially during recent months. The restructuring process in which UNIDO was engaged called for solidarity at the highest levels of management. The Deputy Directors-General deserved the gratitude of the Organization, with which they would, he was sure, continue to be associated for a long time.

35. Lastly, paying tribute to the President, he said that the consensus decision just reached would not have been possible without her skilful guidance.

The meeting rose at 4.05 p.m.